

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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EMS TRANSMISSION 12/17/04
Instruction Memorandum No. NV-2005-021
Expires: 9/30/2006

To: Field Managers, Nevada

From: State Director, Nevada

Subject: Drill Hole and Well Abandonment Policy in Nevada for Activities Approved Under 43 CFR 3809

This policy is provided to clarify certain issues raised concerning reclamation of drill holes associated with mining activities in Nevada under 43 CFR 3809. The following policy on drill holes was extracted from Instruction Memorandum No. WO-2003-082, Change 1:

Drill Hole Plugging – This task includes plugging, capping, and segregation of the drill holes from the ground water system. Specifically, care needs to be taken in determining plugging costs based upon whether drill holes encounter water, water under artesian pressure, or are dry. Proposed plugging must meet all applicable Federal and State requirements.

Where the operator is proposing drilling, the reclamation cost estimate must include the estimated plugging cost of at least one drill hole for each active drill rig in the project area. Where the submitted Notice or approved Plan of Operations calls for drill holes to be plugged, but doesn't specifically require the drill holes be plugged before the drill rig has been moved from the drill pad, the reclamation cost estimate must include the plugging cost for those drill holes. For all drill holes, and water, monitoring and piezometer wells scheduled to be left open, the estimated plugging cost must be included in the reclamation cost estimate. Where the approved Plan of Operations proposes immediate mining through an area where the drilling is to occur and the cost of the post-mining reclamation is included in the reclamation cost estimate, the cost estimate does not need to include the plugging costs for those drill holes. Plugging activity must, however, still comply with all applicable Federal and State requirements. If the State Director determines the State's financial guarantee requirements related to drill hole plugging accomplishes the same level of protection as this policy, the

BLM may base the estimated plugging costs on the State requirements.
[Emphasis added.]

Therefore, it has been determined that the following policy will apply in Nevada to be consistent with State regulations:

Drill hole and well (water, monitoring and piezometer) abandonment must meet all applicable Federal and State standards. In Nevada, drill holes that will be plugged as per [NAC 534](#) with onsite drilling equipment do not have to be considered for bonding. Drill holes that are to be left open at any time during the life of the project must have a third party reclamation cost estimate and be bonded. To avoid bonding, operators must state in their notice/plan of operations that drill holes will not be left open at any time during the life of the project. The cost of plugging, capping and segregation of the hole from the ground water system is to be considered when appropriate.

Drill holes that will be “mined through” within six months of drilling completion by the proposed mining operation do not have to be considered for bonding.

If you have any questions on this matter, please contact either Reg Reid at (775) 861-6567 or Larry Steward at (775) 861-6575.

Signed by:
Robert V. Abbey
State Director, Nevada

Authenticated by:
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cc:
Connie Davis, NDEP